



TURKCELL ILETISIM HIZMETLERI

FIRST QUARTER 2024 RESULTS

“STRONG START TO 2024;
GUIDANCE UPGRADED”





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- Please note that all financial data is consolidated and comprises that of Turkcell İletişim Hizmetleri A.Ş. (the "Company", or "Turkcell") and its subsidiaries and associates (together referred to as the "Group"), unless otherwise stated.
- We have four reporting segments:
 - "Turkcell Türkiye" which comprises our telecom, digital services and digital business services related businesses in Türkiye (as used in our previous releases in periods prior to Q115, this term covered only the mobile businesses). All non-financial data presented in this press release is unconsolidated and comprises Turkcell Türkiye only figures, unless otherwise stated. The terms "we", "us", and "our" in this press release refer only to Turkcell Türkiye, except in discussions of financial data, where such terms refer to the Group, and except where context otherwise requires.
 - "Turkcell International" which comprises all of our telecom and digital services-related businesses outside of Türkiye (BeST and KKTCELL).
 - As of December 31, 2023, our Lifecell, UkrTower, and Global LLC operations in Ukraine have been classified as a disposal group held for sale and as a discontinued operation.
 - "Techfin" which comprises all of our financial services businesses.
 - "Other" which mainly comprises our non-group call center and energy businesses, retail channel operations, smart devices management and consumer electronics sales through digital channels and intersegment eliminations.
 - Discontinued operations in Ukraine include Lifecell LLC, LLC Global Bilgi, and LLC Ukrtower.
- This press release provides a year-on-year comparison of our key indicators and figures in parentheses following the operational and financial results for March 31, 2024 refer to the same item as at and for the three months ended March 31, 2023. For further details, please refer to our consolidated financial statements and notes as at and for March 31, 2024, which can be accessed via our website in the investor relations section (www.turkcell.com.tr).
- Selected financial information presented in this press release for the first quarter of 2023, and 2024 is based on IFRS figures in TRY terms unless otherwise stated.
- In the tables used in this press release totals may not foot due to rounding differences. The same applies to the calculations in the text.
- Year-on-year percentage comparisons appearing in this press release reflect mathematical calculation.

**NOTICE**

This press release contains the Company's financial information for the period ended March 31, 2024 prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This press release contains the Company's financial information prepared in accordance with International Accounting Standard 29, Financial Reporting in Hyperinflationary Economies ("IAS29"). Therefore, the financial statement information included in this press release for the periods presented is expressed in terms of purchasing power of the Turkish Lira as of March 31, 2024. The Company restated all non-monetary items in order to reflect the impact of the inflation restatement reporting in terms of the measuring unit current as of March 31, 2024. Comparative financial information has also been restated using the general price index of the current period. This release includes forward-looking statements within the meaning of Section 27A of the U.S. Securities Act of 1933, Section 21E of the U.S. Securities Exchange Act of 1934 and the Safe Harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. This includes, in particular, and without limitation, our targets for revenue growth, EBITDA margin and operational capex over sales ratio for the full year 2024. In establishing such guidance and outlooks, the Company has used a certain number of assumptions regarding factors beyond its control in particular in relation to macro-economic indicators such as expected inflation levels, that may not be realized or achieved. More generally, all statements other than statements of historical facts included in this press release, including, without limitation, certain statements regarding our operations, financial position and business strategy may constitute forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as, among others, "will," "expect," "intend," "estimate," "believe," "continue" and "guidance."

Forward-looking statements are not guarantees of future performance and involve certain risks and uncertainties that are difficult to predict. In addition, certain forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Many factors could cause actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by forward-looking statements. Should one or more of these risks or uncertainties materialize, or underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected, intended, planned or projected.

These forward-looking statements are based upon a number of assumptions and other important factors that could cause our actual results, performance or achievements to differ materially from our future results, performance or achievements expressed or implied by such forward-looking statements. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements. For a discussion of certain factors that may affect the outcome of such forward looking statements, see our Annual Report on Form 20-F for 2023 filed with the U.S. Securities and Exchange Commission, and in particular the risk factor section therein. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date of this press release. All forward-looking statements in this press release are based on information currently available to the Company and we undertake no duty to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

The Company makes no representation as to the accuracy or completeness of the information contained in this press release, which remains subject to verification, completion and change. No responsibility or liability is or will be accepted by the Company or any of its subsidiaries, board members, officers, employees or agents as to or in relation to the accuracy or completeness of the information contained in this press release or any other written or oral information made available to any interested party or its advisers.

**FINANCIAL HIGHLIGHTS**

TRY million	Q123	Q124	y/y%
Revenue	27,569	30,822	11.8%
EBITDA ¹	10,354	12,754	23.2%
EBITDA Margin (%)	37.6%	41.4%	3.8pp
EBIT ²	2,533	3,522	39.0%
EBIT Margin (%)	9.2%	11.4%	2.2pp
Net Income / (Loss)	(269)	2,635	n.m

FIRST QUARTER HIGHLIGHTS

- Financial performance accelerated on solid results:
 - Group revenues up 11.8% year-on-year supported mainly by strong ARPU growth and the larger postpaid subscriber base of Turkcell Türkiye as well as the contribution of the techfin business, and digital services & solutions
 - EBITDA up 23.2%, leading to an EBITDA margin of 41.4%; EBIT up 39.0%, resulting in an EBIT margin of 11.4%
 - Net income was TRY2.6 billion
 - Net leverage³ level at 0.6x; net long FX position of US\$158 million
- Solid operational momentum:
 - Turkcell Türkiye subscriber base⁴ up by 333 thousand net additions
 - 472 thousand mobile postpaid net additions
 - 50 thousand fixed subscriber net additions; 48 thousand fiber net additions
 - 44 thousand new fiber homepasses
 - Mobile ARPU⁵ growth of 17.1%; residential fiber ARPU growth of 13.7%
- We have upgraded our revenue growth guidance⁶ for 2024. Accordingly, we now target low-double-digit revenue growth rather than high single digit growth. We maintain our EBITDA margin target of around 42%, and operational capex over sales ratio⁷ guidance at around 23%
- General Assembly meeting held on May 2nd:
 - TRY6.3 billion dividend distribution was approved; the payment will be made on December 5th

(1) EBITDA is a non-GAAP financial measure. See page 14 for the explanation of how we calculate Adjusted EBITDA and its reconciliation to net income.

(2) EBIT is a non-GAAP financial measure and is equal to EBITDA minus depreciation and amortization expenses.

(3) Starting from Q421, we have revised the definition of our net debt calculation to include "financial assets" reported under current and non-current assets. Required reserves held in CBRT balances are also considered in net debt calculation. We believe that these assets are highly liquid and can be easily converted to cash without significant change in value.

(4) Including mobile, fixed broadband, IPTV, and wholesale (MVNO&FVNO) subscribers

(5) Excluding M2M

(6) The guidance for the year 2024 includes the effects of implementing inflation accounting in accordance with IAS 29. Our 2024 guidance has been established using a certain number of assumptions regarding factors beyond our control, including in relation to macroeconomic indicators such as expected inflation levels. In particular, our 2024 guidance is based on an assumed annual inflation rate of 37%, applied on a monthly basis. Please note that this paragraph contains forward-looking statements based on our current estimates and expectations regarding market conditions for each of our different businesses. No assurance can be given that actual results will be consistent with such estimates and expectations. For a discussion of factors that may affect our results, see our Annual Report on Form 20-F for 2023 filed with the U.S. Securities and Exchange Commission, and in particular, the risk factor section therein.

(7) Excluding license fee

For further details, please refer to our consolidated financial statements and notes as at March 31, 2024 via our website in the Investor Relations section (www.turkcell.com.tr).



COMMENTS BY CEO, ALİ TAHA KOÇ, PhD

We are delighted to celebrate our 30th anniversary as the pioneer of Türkiye's digital transformation. As Turkcell, we have introduced numerous innovations in the industry. Today, we are entering an era wherein we will solidify our leadership of Türkiye's digital transformation by focusing on our technological capabilities and bringing global technological advancements to our country. Moreover, we are proud to enter our 30th year with strong financial and operational results.

A strong start to 2024

Although the first quarter of 2024 was impacted by economic and geopolitical uncertainties, it was a period where hopes for macroeconomic normalization began to increase. Domestically, the Central Bank of the Republic of Türkiye's controlled interest rate hikes were monitored amid reaccelerated inflation, while global attention was on the Fed's cautious approach to interest rate cuts.

In the first quarter of the year, we achieved strong growth by enlarging our subscriber base with our value-oriented postpaid and fiber subscribers, along with the support of our digital services and techfin business. Our ongoing inflationary pricing policy has significantly contributed to strengthening our company's financial performance. Our group revenues increased by 11.8% yearly to TRY 30.8 billion, while EBITDA¹ rose by 23.2% to TRY 12.8 billion. The EBITDA margin reached 41.4%, improving 3.8 percentage points. We delivered a TRY 2.6 billion net profit for the quarter.

Our operational performance started the year strong, led by the mobile segment. We gained 229 thousand net mobile subscribers in the first quarter. While our postpaid subscriber base posted an increase of net 472 thousand in this quarter, our net addition for the past twelve months surpassed 1.7 million subscribers. Other sector players also made the price adjustments we made during this period. While aggressive offers from competitors were less observed this quarter, the Mobile Number Portability (MNP) market volume also contracted compared to the previous quarter. Thanks to the increasing contribution of sequential price adjustments, the postpaid subscriber base, which expanded to 72%, and our ability to upsell our customers, our Mobile ARPU² rose 17.1%. We continued to offer innovative and comprehensive tariffs to our customers. In line with this, we are now offering the “Smart Control Service” for free, as an example of our strategy based on always being there for our customers. This service automatically suspends usage when customers reach their package limits, ensuring no additional charges on customers bills. Despite price adjustments, thanks to these initiatives, our mobile subscriber churn rate reached its lowest level in the past 6 years, at 1.5%.

We maintained our focus on fiber subscribers in the fixed broadband segment. With demand for high-speed and quality fiber services remaining strong, we gained a net of 48 thousand fiber subscribers, pushing our fiber subscriber base beyond 2.3 million. Our strategy of shifting customers to 12-month contracts contributed to limiting the delaying effect of inflation on our growth performance. Thanks to this strategy, the share of 12-month contracted subscribers in residential fiber base reached 74%. In this quarter, fiber ARPU rose 13.7% yearly. While our total fixed subscriber base surpassed 3.1 million, this quarter's fixed subscriber churn rate reached its lowest level since 2007, at 1.3%.

Digital services continue to drive our financial performance

The growth of our digital services continues to support our group revenues. Revenues from the stand-alone paid users of our digital services grew by 32% to TRY 1.6 billion. The number of stand-alone paid users³ utilizing our digital services amounted to 5.5 million.



Digital Business Services provide cloud-based software services enabling automation in business processes, end-to-end digitalization, data center services, and next-generation technologies such as the Internet of Things to our corporate customers. The revenue generated by these services amounted to TRY 2.8 billion this quarter. The revenues from our cloud services, where we provide value-added services and operate four next-generation data centers with a total IT capacity of 54 MWs, recorded growth of 48%, reaching TRY 470 million.

Our Techfin segment, with the contributions of our subsidiaries Financell⁴ and Paycell, significantly contributed to the group's growth in the first quarter. Financell, with 1.1 million active customers, reached a loan portfolio of TRY 6.1 billion, and with rising interest rates, its revenues rose 53.5% yearly. On the other hand, Paycell's revenues, which offer fast and secure payment solutions, increased by 33.2% year-on-year, while its users⁵ reached 7.8 million.

We pioneer innovation, social responsibility, and sustainability

By carrying the 'Turkcell and Technology' focus to the international domain, we participated in the 'Sustainable Digital Transformation' panel at the GSMA Mobile World Congress in Barcelona. As Turkcell, we emphasized that we make our operations sustainable and develop products, services, and project solutions that add value to the economy. Moreover, by opening Call Center and Training Center in Hatay, where Hatay is the most affected city by the February 2023 earthquake, we strengthened our commitment to social responsibility while providing new job opportunities for the region's youth, creating long-term support with sustainable impact.

As Türkiye's leading technology integrator, we hold data, energy, artificial intelligence, and cybersecurity in sharp relief. In a digital world, we consider data generated by people and objects the most valuable raw material. In this context, as Türkiye's largest data center operator, I emphasize our company's superior position in the industry.

Our Board of Directors TRY 6.3 billion dividend proposal was approved at the Annual General Assembly meeting of May 2, 2024. We will continue to work with dedication to sustain our successful financial and operational results while maintaining our robust balance sheet.

We revise our guidance upwards

Considering our first quarter performance, we revise our guidance⁶ upwards. We expect low-double-digit growth of Group revenues in real terms in 2024. We maintain our EBITDA margin expectation of approximately 42% and our operational capex to sales ratio⁷ target of around 23%.

As we celebrate our company's 30th anniversary with joy and pride, we confidently advance towards making Turkcell the leader of Türkiye's Digital Century. We will continue to leverage the opportunities provided by technology to build on our sustainable successes and add value to our country.

(1) EBITDA is a non-GAAP financial measure. See page 16 for the explanation of how we calculate Adjusted EBITDA and its reconciliation to net income

(2) Excluding M2M

(3) Including IPTV, OTT TV, fizy, lifebox and GAME+

(4) Following the change in organizational structure, the revenues of Turkcell Sigorta Aracılık Hizmetleri A.Ş. (Insurance Agency), which was previously managed under Financell, have are now classified as "Other" in the Techfin segment as of the first quarter of 2023.

(5) 3-month active user

(6) The guidance for the year 2024 includes the effects of implementing inflation accounting in accordance with IAS 29. Our 2024 guidance has been established using a certain number of assumptions regarding factors beyond our control, including in relation to macroeconomic indicators such as expected inflation levels. In particular, our 2024 guidance is based on an assumed annual inflation rate of 37%, applied on a monthly basis. Please note that this paragraph contains forward-looking statements based on our current estimates and expectations regarding market conditions for each of our different businesses. No assurance can be given that actual results will be consistent with such estimates and expectations. For a discussion of factors that may affect our results, see our Annual Report on Form 20-F for 2023 filed with the U.S. Securities and Exchange Commission, and in particular, the risk factor section therein.

(7) Excluding license fee



FINANCIAL AND OPERATIONAL REVIEW

Financial Review of Turkcell Group

Profit & Loss Statement (million TRY)	Q123	Q124	y/y%
Revenue	27,569.1	30,822.3	11.8%
Cost of revenue ¹	(14,487.4)	(14,948.1)	3.2%
Cost of revenue¹/Revenue	(52.5%)	(48.5%)	4.0pp
Gross Margin¹	47.5%	51.5%	4.0pp
Administrative expenses	(916.1)	(1,161.1)	26.7%
Administrative expenses/Revenue	(3.3%)	(3.8%)	(0.5pp)
Selling and marketing expenses	(1,450.5)	(1,757.9)	21.2%
Selling and marketing expenses/Revenue	(5.3%)	(5.7%)	(0.4pp)
Net impairment losses on financial and contract assets	(361.2)	(200.9)	(44.4%)
EBITDA²	10,353.9	12,754.3	23.2%
EBITDA Margin	37.6%	41.4%	3.8pp
Depreciation and amortization	(7,820.4)	(9,231.9)	18.0%
EBIT³	2,533.5	3,522.4	39.0%
EBIT Margin	9.2%	11.4%	2.2pp
Net finance income / (costs)	(872.0)	160.8	n.m
Finance income	1,456.2	5,477.3	276.1%
Finance costs	(1,885.5)	(7,964.1)	322.4%
Monetary gain / (loss)	(442.8)	2,647.6	n.m
Other income / (expenses)	(232.8)	(218.4)	(6.2%)
Non-controlling interests	0.3	5.4	n.m
Share of profit of equity accounted investees	94.0	(55.9)	(159.5%)
Income tax expense	(2,319.1)	(1,320.4)	(43.1%)
Profit /(loss) from discontinued operations	526.8	540.6	2.6%
Net Income	(269.4)	2,634.6	n.m

(1) Excluding depreciation and amortization expenses.

(2) EBITDA is a non-GAAP financial measure. See page 14 for the explanation of how we calculate Adjusted EBITDA and its reconciliation to net income.

(3) EBIT is a non-GAAP financial measure and is equal to EBITDA minus depreciation and amortization expenses.

Revenue of the Group grew by 11.8% year-on-year in Q124. This resulted mainly from expanding postpaid subscribers of Turkcell Türkiye and price adjustments. Additionally, our digital services & solutions, and techfin business made contributions to overall revenue growth.

Turkcell Türkiye revenues, comprising 86% of Group revenues, grew 13.1% to TRY26,516 million (TRY23,455 million).

- Consumer business rose⁴ by 19.5%, driven mainly by strong postpaid subscriber net additions, rising fiber subscriber base, price adjustments, and upsell efforts.
- Corporate revenues⁴ decreased by 1.4% mainly due to fewer large-budget projects as compared to the prior period.
- Standalone digital services revenues from consumer and corporate segments grew 32.3% driven mainly by an expanding standalone paid user base compared with the first quarter of 2023, and price adjustments.
- Wholesale revenues decreased 6.1% to TRY1,450 million (TRY1,544 million).

(4) Following the change in the organizational structure, the revenues from sole proprietorship subscribers that we define as Merchant, which were previously managed under the Corporate segment, are being reported under the Consumer segment as of and from the third quarter of 2023. Within this scope, past data has been revised for comparative purposes.



Turkcell International revenues¹, comprising 3% of Group revenues, increased 2.3% to TRY815 million (TRY797 million).

Techfin segment revenues, comprising 5% of Group revenues, increased 43.7% to TRY1,513 million (TRY1,053 million). This was driven by 53.5% growth in Financell revenues and 33.2% rise in Paycell revenues. Please refer to the Techfin section for details.

Other subsidiaries' revenues, at 6% of Group revenues, including mainly consumer electronics sales revenues, and non-group energy business revenues, decreased 12.6% to TRY1,979 million (TRY2,263 million).

Cost of revenue (excluding depreciation and amortization) decreased to 48.5% (52.5%) as a percentage of revenues at the end of the first quarter. This was driven mainly by the decline in the cost of goods sold (2.9pp), energy cost (1.8pp), and interconnection cost (1.2pp) despite the increase in funding cost (1.3pp) and personnel expenses (0.6pp) as a percentage of revenues.

Administrative expenses increased to 3.8% (3.3%) as a percentage of revenues in Q124. This was led by higher personnel expenses.

Selling and marketing expenses increased to 5.7% (5.3%) as a percentage of revenues in Q124. This was driven by the increase in marketing expenses (0.3pp), and personnel expenses (0.2pp) despite the decline in selling expenses (0.1pp) as a percentage of revenues.

Net impairment losses on financial and contract assets was at 0.7% (1.3%) as a percentage of revenues in Q124.

EBITDA² rose by 23.2% year-on-year in Q124 leading to an EBITDA margin of 41.4% with a 3.8pp improvement (37.6%).

- Turkcell Türkiye's EBITDA rose 24.4% to TRY12,027 million (TRY9,671 million) leading to an EBITDA margin of 45.4% (41.2%).
- Turkcell International (excl. Ukraine operations) EBITDA increased 16.2% to TRY297 million (TRY256 million) driving an EBITDA margin of 36.5% (32.1%).
- Techfin segment EBITDA declined 17.0% to TRY345 million (TRY416 million) with an EBITDA margin of 22.8% (39.5%). The key factor behind the year-on-year decline in EBITDA margin was the rise in funding cost for Financell compared with the first quarter of 2023.
- The EBITDA of other subsidiaries was TRY84 million (TRY11 million) in Q124.

Depreciation and amortization expenses increased 18.0% year-on-year in Q124.

Net finance income of TRY160.8 million (negative TRY872 million) was recorded for Q124, including TRY2.6 billion monetary gain and net FX losses of TRY2.3 billion.

See Appendix A for details of net foreign exchange gain and loss.

Other expenses decreased to TRY218 million (TRY232 million) in Q124.

Income tax expense increased to TRY1,320 million (TRY2,319 million) due mainly to a lower corporate and deferred tax expense compared to the previous year.

Profit /(loss) from discontinued operations of TRY541 million (TRY527 million) was recorded in Q124.

Net income of the Group was TRY2.6 billion (negative TRY269 million) in Q124. This result was mainly due to significant contributions from monetary gains and strong performance at the EBITDA level.

Total cash & debt: Consolidated cash as of March 31, 2024, decreased to TRY48,779 million compared to TRY57,507 million as of December 31, 2023. Please recall that the second installment of the earthquake donation, eurobond purchasing, personnel bonus payment, and wireless fee tax were paid in this quarter. Excluding FX swap transactions, 49% of our cash is in US\$, 24% in EUR, 1% BYN, and 25% in TRY.

(1) As of December 31, 2023, our Lifecell, UkrTower, and Global LLC operations in Ukraine have been classified as a disposal group held for sale and as a discontinued operation. Therefore, this segment does not include revenues from those.

(2) EBITDA is a non-GAAP financial measure. See page 14 for the explanation of how we calculate adjusted EBITDA and its reconciliation to net income.



Consolidated debt as of March 31, 2024, increased to TRY98,050 million from TRY96,750 million as of December 31, 2023 due mainly to the impact of currency movements. Please note that TRY3,197 million of our consolidated debt is comprised of lease obligations. Please note that 43% of our consolidated debt is in US\$, 33% in EUR, 3% in CNY, and 21% in TRY.

Net debt¹ as of March 31, 2024, increased to TRY33,441 million from TRY27,389 million as of December 31, 2023 with a net debt to EBITDA ratio of 0.6x times.

Turkcell Group had a long FX position of US\$158 million at the end of the quarter (Please note that this figure takes hedging portfolio and advance payments into account). The long FX position of US\$158 million is in line with our FX neutral definition, which is between -US\$200 million and +US\$200 million.

Capital expenditures: Capital expenditures, including non-operational items, were at TRY7,508 million in Q124.

Operational capital expenditures (excluding license fees) at the Group level were at 18.2% of total revenues in Q124.

Capital expenditures (million TRY)	Q123 ²	Q124 ³
Operational Capex	6,000.0	5,596.7
License and Related Costs	-	-
Non-operational Capex (Including IFRS15 & IFRS16)	2,360.0	1,911.3
Total Capex	8,360.0	7,508.0

(1) Starting from Q421, we have revised the definition of our net debt calculation to include "financial assets" reported under current and non-current assets. Required reserves held in CBRT balances are also considered in net debt calculation. We believe that these assets are highly liquid and can be easily converted to cash without significant change in value.

(2) Including Ukraine operations

(3) Excluding Ukraine operations



Operational Review of Turkcell Türkiye

Summary of Operational Data	Q123	Q423	Q124	y/y %	q/q%
Number of subscribers ¹ (million)	41.7	42.5	42.8	2.6%	0.7%
Mobile Postpaid (million)	25.9	27.2	27.6	6.6%	1.5%
Mobile M2M (million)	4.1	4.5	4.6	12.2%	2.2%
Mobile Prepaid (million)	11.6	10.8	10.6	(8.6%)	(1.9%)
Fiber (thousand)	2,159.7	2,291.0	2,338.6	8.3%	2.1%
ADSL (thousand)	759.0	760.7	762.3	0.4%	0.2%
Superbox (thousand) ²	676.5	719.9	737.6	9.0%	2.5%
Cable (thousand)	42.4	38.5	39.2	(7.5%)	1.8%
IPTV (thousand)	1,309.3	1,409.2	1,450.1	10.8%	2.9%
Churn (%) ³					
Mobile Churn (%)	1.7%	2.4%	1.5%	(0.2pp)	(0.9pp)
Fixed Churn (%)	1.5%	1.6%	1.3%	(0.2pp)	(0.3pp)
Average mobile data usage per user (GB/user)	16.2	17.4	17.8	9.9%	2.3%

(1) Including mobile, fixed broadband, IPTV, and wholesale (MVNO&FVNO) subscribers

(2) Superbox subscribers are included in mobile subscribers.

(3) Churn figures represent average monthly churn figures for the respective years.

ARPU (Average Monthly Revenue per User) (TRY)	Q123	Q124	y/y %
Mobile ARPU, blended	156.0	180.2	15.5%
Mobile ARPU, blended (excluding M2M)	173.4	203.1	17.1%
Postpaid	185.5	208.0	12.1%
Postpaid (excluding M2M)	218.0	247.0	13.3%
Prepaid	91.6	109.3	19.3%
Fixed Residential ARPU, blended	202.3	228.9	13.1%
Residential Fiber ARPU	203.9	231.9	13.7%

Turkcell Türkiye's customer base continued to expand, reaching 42.8 million with a net quarterly addition of 333 thousand, driven by strong postpaid subscriber net addition performance in the first quarter of the year. This strong performance led us to achieve a total of 1.7 million postpaid net additions in the last 12 months.

On the mobile front, our subscriber base expanded to 38.2 million on 229 thousand net additions in Q124. This was driven by 472 thousand net additions from the postpaid subscriber base, which reached 72.3% (69.1%) of total mobile subscribers. We experienced a net decline of 243 thousand in our prepaid subscriber base quarter-on-quarter, due mainly to the disconnection of 319 thousand prepaid customers in Q124 in accordance with the ICTA regulation. The market was not overly aggressive compared to previous quarters, but there have been aggressive campaigns by competitors during some periods of the first quarter. Accordingly, our mobile ARPU (excluding M2M) rose by 17.1% year-on-year thanks to price adjustments, a larger postpaid subscriber base, and upsell performance in Q124. The average monthly mobile churn rate decreased to 1.5% in Q124, the lowest level since 2018.

On the fixed front, our subscriber base reached 3.1 million on 50 thousand quarterly net additions. Our fiber subscriber base expanded by 48 thousand quarterly and 179 thousand annual net additions. Meanwhile, IPTV customers reached to 1.5 million on 41 thousand quarterly and 141 thousand annual net additions. The average monthly fixed churn rate at 1.3% in Q124 which is the lowest level since 2007. Our residential fiber ARPU growth was 13.7% year-on-year, mainly on the back of 12-month commitment structure, price adjustments, and efforts to higher tariffs, as well as higher IPTV pricing.



Average monthly mobile data usage per user rose 9.9% year-on-year to 17.8 GB, with the increasing number and data consumption of 4.5G users in Q124. Accordingly, the average mobile data usage of 4.5G users reached 18.8 GB in Q124. Total smartphone penetration on our network was at 90% at the end of the quarter. 95% of those smartphones were 4.5G compatible.

TURKCELL INTERNATIONAL

BeST ¹	Q123	Q124	y/y%
Number of subscribers (million)	1.5	1.5	-
Active (3 months)	1.1	1.2	9.1%
Revenue (million BYN)	39.3	48.8	24.2%
EBITDA (million BYN)	18.2	24.2	33.0%
EBITDA margin (%)	46.3%	49.5%	3.2pp
Net loss (million BYN)	(9.2)	(5.0)	(45.7%)
Capex (million BYN)	18.8	25.4	35.1%
Revenue (million TRY)	453.9	467.6	3.0%
EBITDA (million TRY)	210.0	231.7	10.3%
EBITDA margin (%)	46.3%	49.5%	3.2pp
Net loss (million TRY)	(105.8)	(47.1)	(55.5%)

(1) BeST, in which we hold a 100% stake, has operated in Belarus since July 2008.

BeST revenues increased 24.2% year-on-year in local currency terms mainly due to the data and outgoing voice revenues in Q124. BeST registered an EBITDA of BYN24.2 million in the first quarter, which led to an EBITDA margin increased to 49.5%. BeST's revenues in TRY terms increased 3.0% year-on-year in Q124.

BeST continued to offer LTE services to all six regions, encompassing 4.3 thousand sites in Q124. Enhanced LTE coverage has enabled BeST to expand its 4G subscriber base. Accordingly, 4G users reached 83% of the 3-month active subscriber base, which continued to support mobile data consumption and digital services usage. Additionally, the average monthly data usage among 4G subscribers increased 11% year-on-year, reaching 20.4 GB in Q124.

Kuzey Kıbrıs Turkcell² (million TRY)	Q123	Q124	y/y%
Number of subscribers (million)	0.6	0.6	-
Revenue	281.6	300.6	6.7%
EBITDA	91.7	81.5	(11.1%)
EBITDA margin (%)	32.6%	27.1%	(5.5pp)
Net income	361.5	473.2	30.9%

(2) Kuzey Kıbrıs Turkcell, in which we hold a 100% stake, has operated in Northern Cyprus since 1999.

Kuzey Kıbrıs Turkcell revenues rose 6.7% year-on-year in Q124, driven by mobile segment revenues backed by increased ARPU. In Q124, the EBITDA of Kuzey Kıbrıs Turkcell decreased by 11.1%, leading to an EBITDA margin of 27.1%. The EBITDA was negatively affected by personnel expenses.

TECHFIN

Paycell Financial Data (million TRY)	Q123	Q124	y/y%
Revenue	511.1	681.0	33.2%
EBITDA	215.9	318.2	47.4%
EBITDA Margin (%)	42.2%	46.7%	4.5pp
Net Income / (Loss)	(71.7)	74.0	n.m

Paycell's revenue rose by 33.2% year-on-year for first quarter of 2024. POS solutions supported topline growth thanks to increase in the commission fee per transaction. Accordingly, Paycell's EBITDA increased 47.4% year-on-year leading to an EBITDA margin of 46.7% on a 4.5pp improvement in Q124. The primary factor behind the rise



in EBITDA margin was POS expense growth, which lagged behind the increase in revenue. Additionally, the "Pay Later" mobile payment service was another key factor of revenue growth for Paycell.

The Pay Later service transaction volume (non-group) increased by 57% year-on-year to TRY2.2 billion in Q124. This service was utilized by 6.0 million active Pay Later users in Q124. Additionally, Paycell card transaction volume up by 103% year-on-year to TRY5.8 billion. The overall transaction volume for POS solutions also rose to TRY7.7 billion, with a yearly increase of 51%. Meanwhile, the total transaction volume across all services increased 55% to TRY20.5 billion year-on-year in Q124.

Financell ¹ Financial Data (million TRY)	Q123	Q124	y/y%
Revenue	548.4	841.7	53.5%
EBITDA	230.5	93.8	(59.3%)
EBITDA Margin (%)	42.0%	11.1%	(30.9pp)
Net interest margin	3.7%	1.3%	(2.4pp)
Net loss	(140.4)	(94.3)	(32.8%)

(1) Following the change in the organizational structure, the revenues of Turkcell Sigorta Aracılık Hizmetleri A.Ş. (Insurance Agency), which was previously managed under the Financell, has been classified from Financell to "Other" in the Techfin segment as of the first quarter of 2023.

Financell's revenues rose by 53.5% in Q124. EBITDA decreased 59.3% yielding an EBITDA margin of 11.1%. The primary reason for the decline in EBITDA margin compared to the previous year was the increase in funding costs.

Financell's loan portfolio was at TRY6.1 billion in the first quarter of the year. Financell has provided loans to about 30 thousand corporate customers. Financell's cost of risk was at 1.7% at the end of the Q1. Financell continued to offer innovative solutions including green loans for solar projects, car loans, and shopping loans for both individual and corporate customers.

Turkcell Group Subscribers

Turkcell Group registered subscribers amounted to approximately 56.2 million as of March 31, 2024. This figure is calculated by taking the number of subscribers of Turkcell Türkiye, and of each of our subsidiaries. It includes the total number of mobile, fiber, ADSL, cable and IPTV subscribers of Turkcell Türkiye, and the mobile subscribers of lifecell*, BeST, and Kuzey Kıbrıs Turkcell.

Turkcell Group Subscribers	Q123	Q124	y/y%
Turkcell Türkiye subscribers ¹ (million)	41.7	42.8	2.6%
BeST (Belarus)	1.5	1.5	-
Kuzey Kıbrıs Turkcell	0.6	0.6	-
Discontinued operations – lifecell (Ukraine)	10.8	11.3	4.6%
Turkcell Group Subscribers (million)	54.6	56.2	2.9%

(1) Subscribers to more than one service are counted separately for each service. Including mobile, fixed broadband, IPTV, and wholesale (MVNO&FVNO) subscribers

*Discontinued operations

**DISCONTINUED OPERATIONS – lifecell (Ukraine) Standalone**

lifecell¹ Financial Data	Q123	Q124	y/y%
Revenue (million UAH)	2,687.4	3,120.5	16.1%
EBITDA (million UAH)	1,605.0	1,696.7	5.7%
EBITDA margin (%)	59.7%	54.4%	(5.3pp)
Net income (million UAH)	515.6	582.7	13.0%
Capex (million UAH)	638.0	1,008.2	58.0%
Revenue (million TRY)	2,335.7	2,510.6	7.5%
EBITDA (million TRY)	1,395.0	1,365.1	(2.1%)
EBITDA margin (%)	59.7%	54.4%	(5.3pp)
Net income (million TRY)	448.5	468.8	4.5%

(1) Since July 10, 2015, we hold a 100% stake in lifecell. A share transfer agreement was signed on December 29, 2023 for the transfer of all shares, along with all rights and debts of Lifecell LLC. Discontinued operations in Ukraine include Lifecell LLC, LLC Global Bilgi, and LLC Ukrtower. The sale of the Ukrainian assets remains subject to the completion of closing conditions. The table presents the financial figures of Lifecell LLC only.

lifecell (Ukraine) revenues in local currency terms increased 16.1%, while its EBITDA rose 5.7% resulting in an EBITDA margin of 54.4% in Q124.

In TRY terms, lifecell's revenue increased by 7.5% in the first quarter of the year. Net income was up 4.5% to TRY469 million in Q124.

OVERVIEW OF THE MACROECONOMIC ENVIRONMENT

The foreign exchange rates used in our financial reporting, along with certain macroeconomic indicators, are set out below.

	Q123	Q423	Q124	y/y%	q/q%
GDP Growth (Türkiye)	4.0%	4.0%	n.a	n.a	n.a
Consumer Price Index (Türkiye)(yoy)	50.5%	64.8%	68.5%	18.0pp	3.7pp
US\$ / TRY rate					
Closing Rate	19.1460	29.4382	32.2854	68.6%	9.7%
Average Rate	18.8577	28.4905	30.7624	63.1%	8.0%
EUR / TRY rate					
Closing Rate	20.8021	32.5739	34.8023	67.3%	6.8%
Average Rate	20.2424	30.7734	33.3856	64.9%	8.5%
US\$ / UAH rate					
Closing Rate	36.5686	37.9824	39.2214	7.3%	3.3%
Average Rate	36.5686	36.6722	38.2281	4.5%	4.2%
US\$ / BYN rate					
Closing Rate	2.8571	3.1775	3.2498	13.7%	2.3%
Average Rate	2.7505	3.1809	3.2100	16.7%	0.9%



RECONCILIATION OF NON-GAAP FINANCIAL MEASUREMENTS: We believe Adjusted EBITDA, among other measures, facilitates performance comparisons from period to period and management decision making. It also facilitates performance comparisons from company to company. Adjusted EBITDA as a performance measure eliminates potential differences caused by variations in capital structures (affecting interest expense), tax positions (such as the impact of changes in effective tax rates on periods or companies) and the age and book depreciation of tangible and intangible assets (affecting relative depreciation expense and amortization expense). We also present Adjusted EBITDA because we believe it is frequently used by securities analysts, investors and other interested parties in evaluating the performance of other mobile operators in the telecommunications industry in Europe, many of which present Adjusted EBITDA when reporting their results.

Our Adjusted EBITDA definition includes Revenue, Cost of Revenue excluding depreciation and amortization, Selling and Marketing expenses, Administrative expenses and Net impairment losses on financial and contract assets, but excludes finance income and expense, other operating income and expense, investment activity income and expense, share of profit of equity accounted investees and minority interest.

Nevertheless, Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of our results of operations, as reported under IFRS. The following table provides a reconciliation of Adjusted EBITDA, as calculated using financial data prepared in accordance with IFRS to net profit, which we believe is the most directly comparable financial measure calculated and presented in accordance with IFRS.

Turkcell Group (million TRY)	Q123	Q124	y/y%
Consolidated profit before minority interest	(269.7)	2,629.1	n.m
Profit /(loss) from discontinued operations	526.8	540.6	2.6%
Income tax expense	(2,319.1)	(1,320.4)	(43.1%)
Consolidated profit before income tax & minority interest	1,522.7	3,408.9	123.9%
Share of profit of equity accounted investees	94.0	(55.9)	(159.5%)
Finance income	1,456.2	5,477.3	276.1%
Finance costs	(1,885.5)	(7,964.1)	322.4%
Monetary gain / (loss)	(442.8)	2,647.6	n.m
Other income / (expenses)	(232.8)	(218.4)	(6.2%)
EBIT	2,533.5	3,522.4	39.0%
Depreciation and amortization	7,820.4	9,231.9	18.0%
Adjusted EBITDA	10,353.9	12,754.3	23.2%



RECONCILIATION OF ARPU: ARPU is an operational measurement tool and the methodology for calculating performance measures such as ARPU varies substantially among operators and is not standardized across the telecommunications industry, and reported performance measures thus vary from those that may result from the use of a single methodology. Management believes this measure is helpful in assessing the development of our services over time. The following table shows the reconciliation of Turkcell Türkiye revenues to such revenues included in the ARPU calculations for Q1 2023 and Q1 2024.

Reconciliation of ARPU	Q123	Q124
Turkcell Türkiye Revenue (million TRY)	23,455.1	26,515.8
Telecommunication services revenue	21,791.0	25,153.8
Equipment revenue	1,314.5	1,012.6
Other*	349.6	349.4
Revenues which are not attributed to ARPU calculation ¹	(3,987.5)	(3,631.4)
Turkcell Türkiye revenues included in ARPU calculation²	19,118.0	22,535.0
Mobile blended ARPU (TRY)	156.0	180.2
Average number of mobile subscribers during the year (million)	37.5	38.1
Fixed residential ARPU (TRY)	202.3	228.9
Average number of fixed residential subscribers during the year (million)	2.6	2.8

(1) Revenue from fixed corporate and wholesale business; digital business sales; tower business, and other non-subscriber-based revenues

(2) Revenues from Turkcell Türkiye included in ARPU calculation comprise telecommunication services revenue, equipment revenue and revenues which are not attributed to ARPU calculation.

*Including call center revenues



ABOUT TURKCELL: Turkcell is a digital operator headquartered in Türkiye, serving its customers with its unique portfolio of digital services along with voice, messaging, data, and IPTV services on its mobile and fixed networks. Turkcell Group companies operate in 4 countries – Türkiye, Belarus, Northern Cyprus, and Ukraine (discontinued operations) Turkcell launched LTE services in its home country on April 1st, 2016, employing LTE-Advanced and 3 carrier aggregation technologies in 81 cities. Turkcell offers up to 10 Gbps fiber internet speed with its FTTH services. Turkcell Group reported TRY30.8 billion in revenue in Q124 with total assets of TRY282.3 billion as of March 31, 2024. It has been listed on the NYSE and the BIST since July 2000 and is the only dual-listed company in Türkiye. Read more at www.turkcell.com.tr.

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**Appendix A – Tables****Table: Net foreign exchange gain and loss details**

Million TRY	Q123	Q124	y/y%
Net FX loss before hedging	(418.5)	(2,685.1)	541.6%
Swap interest income/(expense)	89.9	184.6	105.3%
Fair value gain on derivative financial instruments	(203.9)	193.9	n.m
Net FX gain / (loss) after hedging	(532.5)	(2,306.6)	333.2%

Table: Income tax expense details

Million TRY	Q123	Q124	y/y%
Current tax expense	(510.3)	(44.7)	(91.2%)
Deferred tax income / (expense)	(1,808.8)	(1,275.7)	(29.5%)
Income tax expense	(2,319.1)	(1,320.4)	(43.1%)

TURKCELL İLETİŞİM HİZMETLERİ A.Ş.
IFRS SELECTED FINANCIALS (TRY Million)

	Quarter Ended March 31, 2023	Quarter Ended March 31, 2024
Consolidated Statement of Operations Data		
Turkcell Turkey	23,455.1	26,515.8
Turkcell International	797.5	815.0
Fintech	1,053.1	1,512.9
Other	2,263.4	1,978.6
Total revenue	27,569.1	30,822.3
Total cost of revenue	(22,307.9)	(24,180.0)
Total gross profit	5,261.3	6,642.3
Administrative expenses	(916.1)	(1,161.1)
Selling & marketing expenses	(1,450.5)	(1,757.9)
Other Income / (Expense)	(232.8)	(218.4)
Net impairment losses on financial and contract assets	(361.2)	(200.9)
Operating profit	2,300.7	3,304.0
Finance costs	(1,885.5)	(7,964.1)
Finance income	1,456.2	5,477.3
Monetary gain (loss)	(442.8)	2,647.6
Share of profit of an associate and a joint venture	94.0	(55.9)
Profit before income tax from continuing operations	1,522.7	3,408.9
Income tax income/ (expense)	(2,319.1)	(1,320.4)
Profit for the year from continuing operations	(796.5)	2,088.5
Profit /(loss) from discontinued operations	526.8	540.6
Profit for the year	(269.7)	2,629.1
Non-controlling interests	0.3	5.4
Owners of the Company	(269.4)	2,634.6
Basic and diluted earnings per share for profit attributable to owners of the Company (in full TRY)	(0.1)	1.2
Basic and diluted earnings per share for profit from continuing operations attributable to owners of the Company (in full TRY)	(0.4)	1.0
Other Financial Data		
Gross margin	19.1%	21.6%
EBITDA(*)	10,353.9	12,754.3
Total capex	8,360.0	7,508.0
Operational capex	6,000.0	5,596.7
Licence and related costs	-	-
Non-operational capex	2,360.0	1,911.3
Consolidated Balance Sheet Data (at period end)	December 31, 2023	March 31, 2024
Cash and cash equivalents	57,507.3	48,778.7
Total assets	284,303.0	282,258.6
Long term debt	66,675.5	65,177.1
Total debt	96,750.3	98,049.5
Total liabilities	143,655.2	138,814.2
Total shareholders' equity / Net Assets	140,647.9	143,444.4

(*) Please refer to the notes on reconciliation of Non-GAAP Financial measures on page 14
For further details, please refer to our consolidated financial statements and notes as at 31 March 2024 on our website

TURKCELL İLETİSİM HİZMETLERİ A.Ş.
TURKISH ACCOUNTING STANDARDS SELECTED
FINANCIALS (TRY Million)

	Quarter Ended March 31, 2023	Quarter Ended March 31, 2024
Consolidated Statement of Operations Data		
Turkcell Turkey	23,455.1	26,515.8
Turkcell International	797.5	815.0
Fintech	1,053.1	1,512.9
Other	2,263.4	1,978.6
Total revenues	27,569.1	30,822.3
Direct cost of revenues	(22,307.9)	(24,180.0)
Gross profit	5,261.3	6,642.3
Administrative expenses	(916.1)	(1,161.1)
Selling & marketing expenses	(1,450.5)	(1,757.9)
Other operating income	2,066.3	3,614.4
Other operating expense	(272.7)	(489.4)
Operating profit	4,688.3	6,848.3
Impairment losses determined in accordance with TFRS 9	(361.2)	(200.9)
Income from investing activities	856.2	1,123.9
Expense from investing activities	(105.8)	(38.0)
Share on profit of investments valued by equity method	94.0	(55.9)
Income before financing costs	5,171.5	7,677.4
Finance income	8.1	567.7
Finance expense	(3,214.1)	(7,483.8)
Monetary gain (loss)	(442.8)	2,647.6
Income from continuing operations before tax and non-controlling interest	1,522.7	3,408.9
Tax income (expense) from continuing operations	(2,319.1)	(1,320.4)
Profit from continuing operations	(796.5)	2,088.5
Profit /(loss) from discontinued operations	526.8	540.6
Profit for the period	(269.7)	2,629.1
Non-controlling interest	0.3	5.4
Owners of the Parent	(269.4)	2,634.6
Earnings per share	(0.1)	1.2
Earnings per share from discontinued operations	(0.4)	1.0
Earnings per share from continuing operation	0.2	0.2
Other Financial Data		
Gross margin	19.1%	21.6%
EBITDA(*)	10,353.9	12,754.3
Total capex	8,360.0	7,508.0
Operational capex	6,000.0	5,596.7
Licence and related costs	-	-
Non-operational capex	2,360.0	1,911.3

Consolidated Balance Sheet Data (at period end)	December 31, 2023	March 31, 2024
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Total debt	96,750.3	98,049.5
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Total shareholders' equity / Net Assets	140,647.9	143,444.4

(*) Please refer to the notes on reconciliation of Non-GAAP Financial measures on page 14
For further details, please refer to our consolidated financial statements and notes as at 31 March 2024 on our website